

FISCAL NOTE
HB 561 - SB 628

February 17, 2005

SUMMARY OF BILL: Clarifies that a court, in a child custody case, is not required to designate one parent as the primary custodial parent where the court has awarded joint custody to the parents or where parenting time is to be shared by the parents on an equal or substantially equal basis.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - \$35,000 One-Time

Other Fiscal Impact:

Increase Federal Expenditures - \$67,900 One-Time

Decrease Federal Revenues - \$44,266,100 Year One


\$48,526,100 Year Two and Subsequent Years

Assumptions:

- Changes to the Tennessee Child Support Enforcement System will involve analysis, programming and testing by contracted staff to complete the needed modifications costing \$35,000 in state expenditures and \$67,900 in federal expenditures totaling \$102,900 in one-time expenditures.
- Federal law 42 U.S.C. § 654(11)(B) requires that a state plan for child and spousal support must provide that any payment to a family shall be made to the resident parent, legal guardian, or caretaker relative having custody of or responsibility for the child or children.
- Potential decrease in federal revenues of \$44,266,100 from the loss in federal funding of Title IV-D matching dollars for the Child Support program.
- Title IV-A of the Social Security Act establishes specific penalties to assess against State Block Grants for Families First (TANF) if out of compliance with federal requirements. A 2% penalty on \$213,000,000 in the second year would total a loss of federal revenue of \$4,260,000 in Title IV-A TANF funding.
- \$48,526,100 decrease in federal revenues includes \$44,266,100 in Title IV-D matching funds and \$4,260,000 in Title IV-A TANF funding.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

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